

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 189891

63

ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 FEA-01 ACDA-05 CIAE-00 INR-07

IO-10 L-03 NSAE-00 NSC-05 EB-07 NRC-05 OES-03 DODE-00

COME-00 OMB-01 TRSE-00 /064 R

66610

DRAFTED BY: XMB:PJMALLOY

APPROVED BY: EB/OCA/CM:BEBYRON

XMB:RJALBRIGHT

XMB:DOBEIM

EUR/CE:RCASAGRANDE

EB/IFD/ODF:RASWART

----- 032520

R 112225Z AUG 75

FM SECSTATE WASHDC

TO AMEMBASSY VIENNA

LIMITED OFFICIAL USE STATE 189891

E.O. 11652: N/A

TAGS: EFIN, AU

SUBJ: EXIMBANK AND SECOND NUCLEAR POWER PLANT

REF: VIENNA 6325

1. EXIMBANK APPRECIATES EMBASSY'S CONTINUING INTEREST IN THIS SIGNIFICANT PROJECT. THIS MESSAGE OUTLINES SITUATION AS KNOWN TO EXIMBANK AFTER JULY 30 DEBRIEFING MEETING WITH DIETZ AND GENERAL ELECTRIC REPRESENTATIVE (ONLY U.S. BIDDER).

2. ON JULY 2 EXIMBANK WROTE OSTERREICHISCHE ELEKTRIZITAT-SWIRTSCHAFTS-AKTIENGESELLSCHAFT (OEA) TO THE EFFECT THAT EXIMBANK HAD HEARD 18 TO 24 MONTH POSTPONEMENT OF CONSTRUCTION MAY BE UNDER CONSIDERATION. ASSUMING FOREGOING CORRECT, LETTER SUGGESTED EXIMBANK'S PREFERENCE TO POSTPONE ACTION ON PRELIMINARY COMMITMENT (PC) REQUEST UNTIL A DATE CLOSER TO WHEN DECISION ON PRO-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 189891

CUREMENT WOULD BE MADE. OEA WAS ADVISED EXIM WOULD ONLY BE

ABLE TO ISSUE PC BASED ON CURRENT ECONOMIC AND FINANCIAL DATA. IN ADDITION, EXIM'S NORMAL PRACTICE DOES NOT PROVIDE FOR A PC TO BE OUTSTANDING FOR UP TO TWO YEARS. LETTER CAREFULLY NOTED EXIMBANK'S CONTINUING INTEREST IN SUBJECT PROJECT AND INVITED OEA'S REACTION.

3. EXIM RECEIVED JULY 21 OEA'S LETTER WHICH STATED ONE TO TWO YEAR POSTPONEMENT OF COMMISSIONING NOW ENVISAGED DUE TO REDUCED GROWTH RATE OF POWER CONSUMPTION. LETTER OUTLINED PROJECTED TIME SCHEDULE WHICH ESTIMATED BID SELECTION WOULD BE MADE WITHIN FIRST QUARTER OF 1976. OEA UNDERTOOK TO ADVISE EXIMBANK WHEN BID SELECTION FIRMLY DECIDED UPON IN "...AUTUMN OF THIS YEAR..."

4. EXIMBANK IS WRITING OEA TO SUGGEST OCTOBER/NOVEMBER AS APPROPRIATE TIME TO RESUME PC APPROVAL, AND TO REQUEST FOR THAT PURPOSE ADDITIONAL INFORMATION ON PROJECTED POWER CONSUMPTION AND ANY CHANGES WHICH MAY OCCUR IN FINANCIAL PROJECTIONS. COPIES OF CORRESPONDENCE BEING AIR-POUCHED TO EMBASSY.

5. ACTION REQUESTED:

(A) WOULD APPRECIATE EMBASSY'S CONTINUED CONTACT WITH OEA AS TO THEIR DECISION SCHEDULE AND TO EXPRESS CONTINUING EXIM INTEREST.

(B) STATUS OF WHAT IS KNOWN ABOUT FINANCING OFFER BEHIND GERMAN PROPOSAL.

6. FYI. IN DISCUSSIONS WITH AUSTRIANS, EMBASSY COULD NOTE THAT HAVING A PC OUTSTANDING FOR CONSIDERABLE PERIOD OF TIME PRESENTS SUBSTANTIVE DIFFICULTIES FOR EXIMBANK. GENERALLY, PCS ARE ISSUED REASONABLY CLOSE TO PERIOD OF TIME WHEN FORMAL APPLICATION CAN BE EXPECTED AND ON THE BASIS OF CURRENT FACTS, E.G., EFFECTS OF INFLATION ALONE OVER A PERIOD OF UP TO TWO YEARS WOULD BRING SIGNIFICANT CHANGE IN APPLICATION AND OEA COMMENTS ABOUT REDUCED GROWTH IN POWER CONSUMPTION COULD ALTER FINANCIAL PROJECTIONS. END FYI. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR POWER PLANTS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 11 AUG 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: johnsorg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE189891
Document Source: CORE
Document Unique ID: 00
Drafter: XMB:PJMALLOY
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750277-0637
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750863/aaaacdmdb.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 VIENNA 6325
Review Action: RELEASED, APPROVED
Review Authority: johnsorg
Review Comment: n/a
Review Content Flags:
Review Date: 07 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 APR 2003 by lzenbel0>; APPROVED <24 DEC 2003 by johnsorg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK AND SECOND NUCLEAR POWER PLANT
TAGS: EFIN, AU, XMB
To: VIENNA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006